

STANDARD FORM 83 SUPPORTING STATEMENT  
ICR NO. 1966.02 -- NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR  
POLLUTANTS FOR BOAT MANUFACTURING (40 CFR PART 63, SUBPART VVVV)

U.S. Environmental Protection Agency  
Office of Air Quality Planning and Standards  
Research Triangle Park, North Carolina 27711

June 2001

PART A OF THE SUPPORTING STATEMENT:  
JUSTIFICATIONS

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

**(a) Title and Number of the Information Collected.**

The title of this information collection request (ICR) is "Recordkeeping and Reporting Requirements for the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Boat Manufacturing." This is a new ICR that has been assigned Environmental Protection Agency (EPA) ICR No. 1966.02.

**(b) Short characterization/abstract.**

The final standards regulate fiberglass and aluminum boat manufacturing operations and processes. The emissions from these boat manufacturing operations and processes are fugitive emissions. Fugitive emissions are the result of HAP evaporating from the resins, gel coats, solvents, adhesives, and surface coatings used in the boat manufacturing operations and processes.

Each owner or operator of a source affected by the final standards would be required to submit an initial notification that the source is subject to the standard. Each respondent would submit semiannual compliance reports. Additional records and reports would depend on how the owner or operator chooses to comply with the standards. The owner or operator of a boat manufacturing facility that is subject to these final standards must control hazardous air pollutants (HAP) by either limiting the HAP content of materials used in the manufacturing processes or by using an enclosure and add-on control device.

The EPA expects that all but one respondent will choose to comply by limiting the HAP content of their fiberglass or aluminum boat manufacturing processes and operations. The one facility

already has an add-on control device and will comply with the add-on control device standards. The EPA believes this facility will meet the monitoring and recordkeeping requirements. The respondents that will limit the HAP content to comply would monitor and record (in a spreadsheet) the monthly consumption of material and show the weighted-average HAP content over the past 12 months. However, if all the materials in an operation meet the HAP content limit, then each respondent would need only to record HAP content and would not need to track monthly consumption or record the computations.

For open molding operations at fiberglass boat manufacturing facilities, respondents would also have the option of averaging among five different processes. Respondents would use options in the regulation to calculate actual and allowable emissions for the combined open molding operations. Compliance would be based on a 12 month rolling average.

Respondents who choose to use an enclosure and an add-on control device would submit a control device performance test report, including operating ranges for monitored parameters; and annual start-up, shutdown, and malfunction reports. Respondents would be required to monitor and keep records of specific operating parameters for each control device.

## **2. NEED FOR AND USE OF THE COLLECTION**

### **(a) Need/Authority for the Collection.**

The EPA needs this information to ensure that HAP emissions are reduced in the processes and operations that constitute boat manufacturing.

The EPA is required under section 112(d) of the Clean Air Act (CAA) to regulate emissions of the HAP listed in section 112(b) of the CAA. The major HAP identified by EPA as being emitted from the

Boat Manufacturing Source Category includes styrene, methyl methacrylate (MMA), toluene, xylene, methylene chloride (dichloromethane), methyl chloroform (1,1,1-trichloroethane), methyl ethyl ketone (MEK), n-hexane, and methyl isobutyl ketone (MIKB).

In the Administrator's judgment, HAP emissions from boat manufacturing processes and operations cause or contribute significantly to air pollution that may reasonably be anticipated to endanger public health. Consequently, NESHAP for this source category has been developed and are being final.

Section 114 of the CAA allows the Administrator to require inspections, monitoring, and entry into facilities to ensure compliance with a section 112 emission standard. Section 114(a)(1) specifically states:

"The Administrator may require any person who owns or operates any emission source...who is subject to the provisions of the CAA on a one-time, periodic, or continuous basis to;

- (A) establish and maintain such records;
- (B) make such reports;
- (C) install use, and maintain such monitoring equipment, and use such audit procedures, or methods;
- (D) sample such emissions;
- (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical;
- (F) submit compliance certifications in accordance with section 114(a)(3); and
- (G) provide such other information as the Administrator may reasonably require."

Certain records and reports are necessary to enable the Administrator to identify sources subject to the standard and to

ensure that the standard, which is based on a maximum achievable control technology (MACT), is being achieved.

**(b) Practical Utility/Users of Collected Information.**

The information will be used by EPA to: (1) identify new, modified, reconstructed, and existing sources subject to the standards; (2) identify the control methodologies being applied; and (3) ensure that emission control devices are being properly operated and maintained.

In addition, records and reports are necessary to enable EPA to identify facilities that may not be in compliance with the standards. Based on reported information, EPA can decide which facilities should be inspected and what records or specific emission sources should be inspected at each facility. Also, the records that facilities maintain provide an indication to EPA whether facility personnel are calculating emissions properly.

To minimize burdens, much of the information EPA would need to determine compliance would be recorded and retained on-site at the facility. Such information would be reviewed by enforcement personnel during an inspection and would not need to be routinely reported to EPA. In addition, in many cases EPA has selected parameters for monitoring that are readily available or are already monitored by the industry for other purposes.

**3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

**(a) Nonduplication.**

Some facilities subject to this NESHAP will also be subject to requirements under the shipbuilding and repair NESHAP (40 CFR part 63, subpart II). The burden requested for this NESHAP does not duplicate any of the burden accounted for under subpart II. None of

the information requested in this ICR is available from other resources, such as the Toxic Release Inventory.

Certain reports required by State or local agencies may duplicate information required by the standards. In such cases, a copy of the report submitted to the State or local agency may be sent to the Administrator in lieu of the report required by the standards.

**(b) Public Notice Required Prior to ICR Submission to the Office of Management and Budget.**

The EPA solicited public comments on the need for this information, the accuracy of the burden estimates, and any suggested methods for minimizing respondent burden in the final rule announced in the Federal Register. The final rule will respond to any comments from the public on these information collection requirements.

**(c) Consultations.**

The EPA involved boat manufacturers, including small firms, and their trade association in the development of this NESHAP and the associated recordkeeping and reporting requirements. These groups have been fully involved in this rulemaking effort. The EPA has considered their comments and concerns in developing the final regulation. The EPA has consulted with the following persons:

Roger  
Crawford,  
OMC,  
847-  
689-  
5219

Jerry Swartz, Island Packet Yachts, 727-531-2365

John McKnight and Todd Williams, NMMA, 202-861-1180

Leon Joyner, Hatteras Yachts, 336-889-6621

Doug Hoffman, Grady White Boats, 252-752-2111  
Kevin Thompson, Sea Ray Boats, 423-522-4181  
Jeff Melby, Genmar, 612-337-1859  
Gerard Douglas, Catalina Yachts, 818-884-7700  
Norman Eubank, Champion Boats Inc., 870-425-8188  
Ted Maloney, Carver Boat Corp., 920-822-9000  
W. Penn Wagers, Key West Boats Inc., 803-873-0112  
Robert Baker, Cruisers Yachts Division of KCS,  
International, 920-834-2211  
Ken Harms, Seaswirl Boats, 541-546-5011  
Robert D. Hagee, Sunbird Boats, 803-799-1125  
Michael Lakeman, Tracker Marine, 417-326-8770  
Mike Miner, Alumacraft Boat Company, 507-931-1050  
Ken Krull, Smoker Craft, 219-831-7053  
Douglas Rein, Alumaweld Boats Inc., 541-826-7171  
Ken Krull, Starcraft Marine, LLC, 219-593-2880  
Ken Beckler, Generation III (GIII), 417-588-9787  
Mike Randolph, Bombardier Motor Corp. of America, 618-439-  
8771  
Bill Richmond, Vanguard, 401-683-5900  
Randy Freeman, Mastercraft, 423-884-2221  
Everette Pearson, TPI Composites Inc. 401-245-1200  
Dennis Pearson, U.S. Marine, 360-435-5571  
Scott Parr, Logic Marine, 919-382-3149

**(d) Effects of Less Frequent Collection.**

Failure to require periodic reporting of HAP emissions would result in the inability of the Administrator to determine if a source is in compliance with the NESHAP. If the reports and data parameters were collected less frequently, EPA would not be able to identify potential compliance problems in a timely fashion.



A typical NESHAP requires quarterly reporting; however, because this NESHAP is based on pollution prevention, semiannual reports are required. Semiannual reports are required so that EPA can ensure that timely corrective action is being taken.

Respondents who choose to use an enclosure and an add-on control device would submit a control device performance test report, including operating ranges for monitored parameters; and annual start-up, shutdown, and malfunction reports. Respondents would be required to monitor and keep records of specific operating parameters for each control device. A quarterly report is required if a facility using an add-on control device exceeds the emission limits. If this information were collected less frequently, the main consequence could be decreased performance of emission control measures due to lack of regular inspection, which could result in increased HAP emissions.

**(e) General Guidelines.**

This information collection meets the Office of Management and Budget's (OMB) general guidelines for information collections and therefore does not require justification for any deviation from OMB's general guidelines.

**(f) Confidentiality.**

All information submitted to EPA for which a claim of confidentiality is made will be safeguarded according to EPA policies in 40 CFR part 2, subpart B, Confidentiality of Business Information.

**(g) Sensitive questions.**

This information collection does not request any information concerning sexual behavior or attitudes, religious beliefs, or other matters usually considered private.

#### **4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

##### **(a) Respondents/North American Industrial Classification System and Standard Industrial Classification Codes.**

Respondents are owners or operators of boat manufacturing facilities. The following processes and operations constitute boat manufacturing: closed mold and open mold fiberglass manufacturing; resin and gel coat mixing; resin and gel coat application equipment cleaning; fabric, carpet, and flooring adhesive operations; and aluminum pleasure craft surface coating. Entities potentially regulated by this action are those major sources of HAP that manufacture boats or ships. The final NESHAP would affect the North American Industrial Classification System (NAICS) and Standard Industrial Classification (SIC) codes listed in the following table.

## REGULATED CATEGORIES AND ENTITIES

Category	NAICS Code	SIC Code	Description
Industrial	336612	3732	Boat manufacturing facilities that perform fiberglass production operations or aluminum coating operations
		3731	Shipbuilding and repair facilities that perform fiberglass production operations
Federal Government	336612	3731	Federally-owned facilities (e.g., Navy shipyards) that perform fiberglass production operations
		3732	

### **(b) Information Requested.**

(i) Data items, including recordkeeping requirements:

Test report. Facilities choosing to use an add-on control device will be required to install a continuous parameter monitoring system; establish operating parameters; prepare a start-up, shutdown, and malfunction plan; and submit a notification of performance tests and an initial add-on control device performance test report.

Initial report. The owner or operator of each facility would be required to submit an initial notification report that the source is subject to the standard.

Notification reports. The owner or operator of each new facility would be required to submit notifications of intent to construct, construction start date, anticipated start-up date, and actual start-up date. Facilities also would be required to submit a notification of compliance status.

Compliance reports. The owner or operator of each facility would be required to submit semiannual compliance reports. Sources using an add-on control device with exceedances would need to submit

quarterly compliance reports and a request to return to semiannual compliance reporting.

Test reports. The owner or operator of each facility using add-on control devices must submit a control device performance test report, operating range for monitored parameters report, and start-up, shutdown, and malfunction reports.

(ii) Respondent activities:

Spreadsheet. Facilities complying with HAP content limits on a weighted average basis will develop a recordkeeping system and enter information into the system for regulated operations (fiberglass manufacturing operations, adhesive operations, and aluminum coating operations). If all facilities in an operation meet an applicable HAP content limit, facilities will only need to keep copies of the HAP content certifications.

## **5. THE INFORMATION COLLECTED—AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

### **(a) Agency Activities.**

A list of Agency activities is provided in tables 5 through 7 (see attachment 3).

### **(b) Collection Methodology and Management.**

This collection of information does not require the use of automated collection techniques because of the relatively small number of respondents affected.

### **(c) Small Entity Flexibility.**

The EPA has determined that 64 of the 84 firms that potentially would be subject to the final standards are small firms. (There are 84 companies that own a total of 119 facilities) The EPA has met with ten of these small firms and their trade association. They have

been fully involved in this rulemaking and their concerns and comments have been considered in the development of this final rule.

In developing these final standards, EPA has provided the maximum degree of flexibility to minimize impacts on small businesses by providing several different compliance options, several of which require a minimum amount of recordkeeping and reporting requirements. Small entities that would be subject to the regulation would not be systematically impacted more than larger entities.

Although the recordkeeping requirements are the same for small and large businesses, EPA considers these requirements the minimum needed to ensure compliance and, therefore, cannot reduce them further for small businesses.

#### **(d) Collection Schedule.**

Year 1 includes the one-time activity of reading the regulation and submitting notification that the source is subject to the standard.

New major sources would submit the following one-time only notifications: intent to construct, start of construction date, anticipated start-up date, and actual start-up date. These notifications generally would be submitted within 60 days of the activity.

In year 3, existing major sources would begin complying with the HAP content requirements, developing spreadsheets, and entering data as described in section 4(b). Also, existing respondents who choose to use add-on control devices would begin complying in the year 3.

The EPA expects five new major sources to be constructed for each of the first 3 years. The EPA assumes that because compliance is not required until year 3 for existing facilities, existing

facilities will wait until year 3 to begin complying with the HAP content requirements.

## **6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION**

### **(a) Estimating Respondent Burden.**

The EPA expects this regulation to affect 119 boat manufacturing facilities (106 fiberglass and 13 aluminum) over the next 3 years. Tables 1 through 3 present an itemized breakdown of the reporting and recordkeeping requirements for the respondents affected by these standards.

### **(b) Estimating Respondent Costs.**

The information collection activities for sources subject to these requirements are presented in tables 1 through 3. The total cost for each respondent activity includes labor costs, capital/start-up costs, and operating and maintenance (O&M) costs.

(i) Estimating Labor Costs. Labor rates, on a per-hour basis, are taken from the Bureau of Labor Statistics (BLS) web site (<http://stats.bls.gov/ecthome.htm>) as posted for July 1998. The occupational category that is the most similar to personnel at boat manufacturing facilities is assumed to be "transportation equipment manufacturing (SIC 37), professional specialty and technical." The base labor rates are \$38.45 for technical, \$41.78 for management personnel, \$17.15 for clerical personnel. The labor rates include fringe benefits, including paid leave, insurance, etc. The labor rates are also adjusted by an overhead and profit rate of 167 percent. Therefore, the total "loaded" wage rates are calculated by the following equation:

$$\text{base labor rate} \times 1.67 = \text{"loaded" wage rate}$$

Given the cost overhead adjustments, the final total "loaded" wage rates are \$64.21 for technical, \$69.77 for management personnel, and \$28.64 for clerical personnel.

(ii) Estimating Capital/Start-up Costs. The EPA does not expect any capital/start-up costs because all but one respondent will comply by employing pollution prevention measures. For example, respondents will purchase lower-HAP materials used in the boat manufacturing processes. Respondents will also employ lower-emitting application equipment, for which monitoring, records, or reports are required. Therefore, there are no capital/start-up costs required for the purchase or the installation of equipment such as continuous parameter monitors. The respondent who will use add-on control to meet the standards is believed to have monitoring equipment already and therefore will not have any capital costs.

For the purpose of this subpart, EPA assumes that each owner or operator owns a computer with spreadsheet software.

(iii) Total O&M and Purchase of Service Costs.

The estimated total operation, maintenance, and purchase of services costs averaged over the first 3 years are expected to be \$895. This cost covers filing, photo copying, and postage.

**(c) Estimating Agency Burden and Cost.**

Because the ICRs were developed as an incidental part of standards development, no costs can be attributed to the development of ICRs. Because reporting and recordkeeping requirements on the part of the respondents are required under section 112 of the CAA, no additional operational costs would be incurred by the Federal Government. Examination of records to be maintained by the respondents would occur incidentally as part of the periodic inspection of sources that is part of EPA's overall compliance and

enforcement program and, therefore, could not be attributable to the ICR.

A list of Agency activities is provided in tables 5 through 7 (see attachment 3).

Labor rates for the Federal employees are based on the estimated hourly rates of \$40.32 for technical personnel (GS-12, Step 5); \$66.56 for management personnel (GS-15, Step 5); and \$22.74 for clerical personnel (GS-7, Step 5). These values include a 1.6 multiplier to account for overhead and fringe benefit costs.

**(d) Estimating the Respondent Universe and Total Burden Costs.**

The total number of respondents also is referred to as the respondent universe. The respondent universe for this ICR is based on EPA's boat manufacturing data base. Industry burden is calculated based on the assumption that five new boat manufacturing facilities will be constructed each year.

Additional estimates regarding the respondent universe are included in the final rule determination. In year 1, new boat manufacturing facilities will read EPA's recordkeeping system (spreadsheet), and enter the information. For each year, facilities will submit initial notifications for new facilities, compliance status, and annual compliance reports. In year 2, ten new boat manufacturing facilities will develop the information, and submit semiannual compliance status reports. In year 3, manufacturing facilities will submit an initial notification that the standard, develop and enter information into the recordkeeping system, and submit annual compliance status.

**(e) Bottom Line Burden Hours and Cost Tables.**

(i) The Respondent Tally. A breakdown for each of the collection activities required by the regulation is presented in tables 1 through 4. The number of hours requested from the respondents is based on the assumptions outlined in the supporting statement. The EPA estimated the respondent burden by totaling the hours and costs for each activity.



3 years after the implementation of the regulation for technical, manufacturing, and service facilities. This total was then divided by 3 to arrive at the average annual burden for the first 3 years following promulgation (see table 4). A similar approach was taken for labor and non-labor costs. For the first 3 years after the implementation, estimates that industry would expend 10,343 hours annually at a cost of \$895 for monitoring, recordkeeping, and reporting requirements. The total annual burden is expected to be \$895 (see table 4).

(ii) The Agency Tally. The bottom line agency burden hours and costs through year 7, are calculated by totaling the hours per year for technical, manufacturing, and service facilities and by totaling the cost column. Table 8 (attachment 3) summarizes the first 3 years and calculates the average annual burden by dividing the average annual burden, over the first 3 years, for the Agency would be per year.

(iii) Variations in the Annual Bottom Line.

Calculating the average annual costs underestimates costs in a typical year. In years 1 and 2, 119 sources are not included. Calculating each year in a separate column provides a more accurate account of how facilities will be affected in the first 3 years.

During years 1 and 2, there is little burden for existing facilities because existing facilities are not required to begin compliance until year 3. Therefore, the year 3 burden for industry and the government is much higher than years 1 and 2.

**(f) Reasons for Change in Burden.**

This is a new collection and there is no change in burden.

**(g) Burden Statement.**

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and

utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An Agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

# ATTACHMENT 1

## SOURCE DATA AND INFORMATION REQUIREMENTS

Requirement	40 CFR part 63
RECORDKEEPING	
5-year retention of records	63.5764(b)
Recordkeeping requirements for applicability determinations	63.10(b)(3)
Copy of each notification and report as submitted and associated documentation	63.5764(a) and (b)
Recordkeeping relevant to start up, shutdown, and malfunction periods and continuous monitoring system	63.10(b)(2)(i) through (xi)
General recordkeeping	63.10(b)(2)
REPORTING	
Initial notification for existing sources	63.5755(a)
Notification of intent to construct	63.5755(a)
Notification of start construction	63.5
Notification of anticipated start-up date	63.5
Notification of actual start-up date	63.5
Notification of compliance status	63.5755(a)
Notification of performance test	63.5755(a)
Notification of CEMS performance evaluation	63.5755(a)
Semi-annual compliance report	63.5758(b) and (c)

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Start-up, shutdown, and malfunction plan	63.5758(d)
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## ATTACHMENT 2

### TABLES 1, 2, 3, and 4

Table 1: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 1

Table 2: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 2

Table 3: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 3

Table 4: Summary of Respondent Burden and Cost of Recordkeeping and Reporting Requirements for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Years 1 through 3 and Average

Table 1

Table 2

Table 2 (continued)



Table 3

Table 3 (continued)

Table 4

ATTACHMENT 3

TABLES 5, 6, 7, AND 8

Table 5: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for the Standard of Performance for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 1

Table 6: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for the Standard of Performance for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 2

Table 7: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for the Standard of Performance for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Year 3

Table 8: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for the Standard of Performance for National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing--40 CFR Part 63, Subpart VVVV - Years 1 through 3 and Average

Table 5

Table 6

Table 6 Continued

Table 7



Table 8

## Abbreviations